INFORMATION LETTER

Not for Publication — NATIONAL CANNERS ASSOCIATION — For Members Only

No. 1414 — Washington, D. C. — November 22, 1952

U. S. Tuna Canners Seek Protection Against Imports

For the second time this year, the U. S. tuna industry this week recommended that the government provide relief against heavy imports of canned tuna and canned bonito.

In hearings before the Tariff Commission, which began November 17, tuna canners said that the domestic tuna industry is suffering serious injury as the result of the prevailing tariff rates on competitive tuna products from abroad.

This hearing is being held at the direction of the Senate Committee on Finance. Last June, after the Senate rejected a bill which would have established a tariff on fresh and frozen tuna, the Committee directed the Tariff Commission to determine the facts relative to the production, trade, and consumption of tuna in the United States, taking into account the interests of consumers, processors, and producers.

In January, tuna canners sought to have the Tariff Commission recommend to the President that he take action to modify or suspend reductions in the tariff on tuna. The Commission has not yet concluded its formal investigation, of which the January hearings were but the start.

Renegotiation Reports

The 60-day interval between the filing of renegotiation forms RB 1 and RB 1B has been eliminated by The Renegotiation Board. Under the new ruling, published in the *Federal Register* of November 19, "the Standard Form of Contractor's Report, including both RB Form 1 and RB Form 1B, shall be filed on or before the first day of the fourth calendar month following the close of the fiscal year of the contractor, whether or not any specific request for filing has been made."

Under a special provision, however, when fiscal years end before December 31, 1952, contractors should file both forms together whenever possible, but if this cannot be done, they may file Form 1 and request permission to submit Form 1B not later than 60 days after the due date.

Increase in Can Prices Authorized by OPS, Effective Nov. 25

Can manufacturers have been authorized by OPS to increase the price of metal cans up to 4 percent above the prices in effect during the period January 1-June 30. The increases may be made effective November 25.

The OPS action takes into account the price increase recently allowed to can manufacturers under the steel pass-through regulation, GOR 35 (see INFORMATION LETTER of September 13, page 255), by limiting the increase in can prices either to a flat 4 percent above the base period or to 2.3 percent above the prices established under GOR 35.

The price adjustments were authorized, OPS said, following an industry earnings standard survey which in-

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GOR 7—Statutory Decontrol Of Additional Canned Foods

Amendment 11 to GOR 7, Revision 1, adds additional canned fruit and vegetable products to the list of products which are decontrolled by the so-called Harrison amendment to the Defense Production Act, and also adds some specialty items to the list of products exempted from price control.

Among the canned foods decontrolled by the amendment are cranberry sauce and apple cider and other fruit ciders.

Amendment 11 also makes clear that the decontrol provided by prior amendments applies to all dry beans and peas sold for human consumption and to baby food fruits and vegetables when creamed, or sold as mixtures, or their juices.

The text of Amendment 11 to GOR 7, Revision 1, is reproduced on page 309.

Importation of Farm Laborers

Proposed regulations dealing with the importation of foreign agricultural laborers were issued by the Immigration and Naturalization Service on November 6. The new regulations are subject to protest until December 6.

Three requirements of the proposed regulations would affect the use of

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Price Stabilizer Foresees Need for Extending Controls; N.C.A. Informs Congress on Canned Foods Price Situation

In testifying before the Joint Committee on Defense Production, the Director of Price Stabilization, Tighe Woods, stated this week that owing to inflationary pressures now concentrated in limited areas he does not believe the new Administration will want to abandon price stabilization on April 30. Instead, he said, "I think it will be found in the public interest to maintain our defense against inflation while proceeding with the program of suspension and decontrol where that is possible."

Mr. Woods was the only witness in a one-day hearing, November 19, by the Joint Committee, composed of members of the Senate and House Committees on Banking and Currency.

Mr. Woods made the following comment on the so-called Harrison amendment which exempts fruits and vege-

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PERSONNEL

Wisconsin Canners Association

The Wisconsin Canners Association elected the following officers recently at the association's annual convention:

President—Ray D. Krier, The Krier Preserving Co., Belgium; vice president—R. R. Hipke, A. T. Hipke & Sons, Inc., New Holstein; secretary—Graydon E. Jones, Columbia Canning Co., Cambria (reelected); treasurer—E. W. Sterr, Loyal Canning Co., Loyal (reelected); and executive secretary—Marvin Verhulst, Madison (reelected).

Assn. of Pacific Fisheries

The Association of Pacific Fisheries elected the following officers recently at the association's annual convention:

President—Vance F. Sutter, Fidalgo Island Packing Co., Seattle (reelected); first vice president—Aubin R. Barthold, Alaska Packers Association, Seattle (reelected); second vice president—C. F. Johnson, Port Ashton Packing Corp., Seattle; third vice president—A. W. Brindle, Ward's Cove Packing Co., Seattle; fourth vice president—T. F. Sandoz, Columbia River Packers Association, Inc., Astoria, Ore.; secretary-treasurer—E. D. Clark, Seattle (reelected).

Hildreth Joins Canning Firm

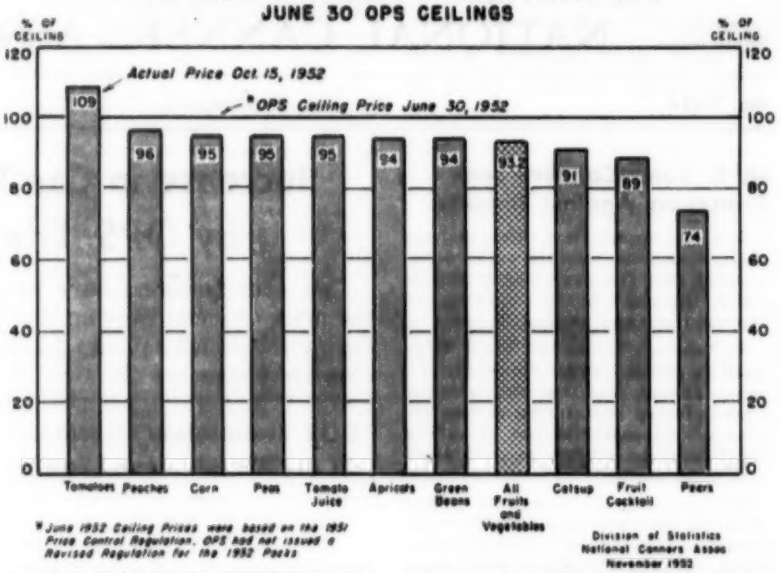
Eugene A. Hildreth, well known to the food industry throughout almost 20 years with the Owens-Illinois Glass Company, has been elected a director of National Fruit Product Co., Inc., Winchester, Va., and has been appointed assistant to the president of that firm.

Mr. Hildreth has been associated with the Owens-Illinois Glass Co. since 1933, in selling and sales administration. He held various positions including those of Sales Manager to the Food Industries and Manager of the Market Development Department.

After having served both as a director and vice president, Mr. Hildreth was elected president of the Canning Machinery & Supplies Association in 1950 and again in 1951.

Mr. and Mrs. Hildreth will make their home in Winchester, Va., after January 2.

COMPARISON OF CANNERS OCTOBER PRICES WITH JUNE 30 OPS CEILINGS



* June 1952 Ceiling Prices were based on the 1951 Price Control Regulation. OPS had not issued a Revised Regulation for the 1952 Packs

Division of Statistics
National Canners Assoc.
November 1952

N.C.A. Informs Congress

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tables in fresh or processed form from price control:

"Regulatory provision, of course, was also made to comply with the amendment to the Act which exempted fruits and vegetables. Parenthetically, the Committee should recall that the summer months normally bring a sharp seasonal decline in the prices of fresh fruits and vegetables. After reaching their seasonal low around the middle of September, they have begun to increase again. Canned fruits and vegetables, which have no such pronounced seasonal fluctuation, have risen slowly but continually since July. At the end of October, retail prices of canned fruits and vegetables were 3.1 percent higher than at the end of June."

N.C.A. Writes Banking Committee

Continuing its program of informing Congressional leaders of the facts of the canned food price situation, the N.C.A. on November 20 wrote the members of the Senate and House Banking Committees:

"The canning industry assured you last spring when hearings were held on the extension of the Defense Production Act that there was nothing inflationary in the canned foods picture. Witnesses for this Association pointed out that canned foods generally were selling at substantial levels below price ceilings. Late this summer the Association again reported to you that canned food prices were not exercising any inflationary pressure, supplies on hand were large, and production would be large. We stated that canned food prices would not exercise any inflationary pressure.

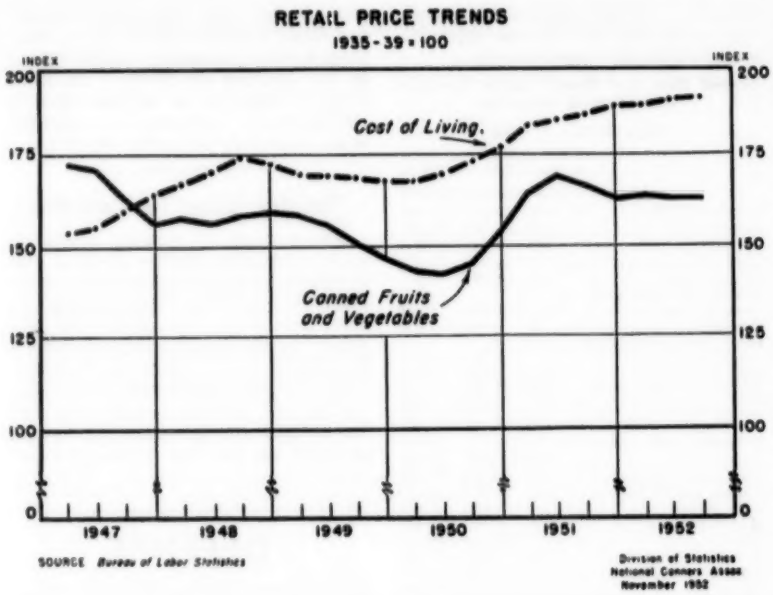
"The enclosed charts show the current canned food price situation. As you will note, there is no evidence of inflation in the canning industry. The index of canned fruit and vegetable prices at retail has been steady this year, canners' selling prices generally remain well below former OPS ceilings, and the total annual supply is well above the 1948-50 average."

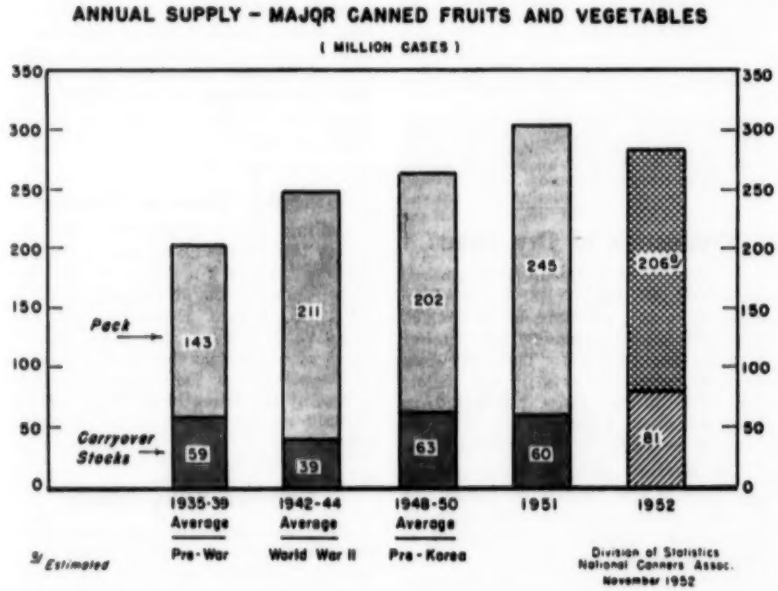
Above and at right are the three charts showing the canned food price situation, copies of which were supplied by N.C.A. to members of the Senate and House Committees on Banking and Currency this week. These committees are responsible for recommending Congressional action on price and wage stabilization and other economic controls legislation.

STANDARDS

Grades for Canned Grapefruit

The Production and Marketing Administration, USDA, has revised U. S. standards for grades of canned grapefruit (sections). Text of the revision was published in the *Federal Register* of November 15.





DEATH

F. M. Ball

Frank M. Ball, 73, owner and operator of F. M. Ball & Co., died at his home in Oakland, Calif., November 15.

Mr. Ball moved to San Francisco in 1911 and his business originally was a brokerage firm. He started a San Francisco cannery in 1920, but discontinued that operation in 1935 when he moved to Oakland. Since 1939 he has operated two canneries there.

He was a director of the Canners League of California.

HOME ECONOMICS

N.C.A. Home Economics Staff Attends Professional Meetings

The fall schedule of field trips by the staff of the N.C.A. Home Economics Division has included work with school lunch people, home economics supervisors, college home economics departments, newspaper and magazine food editors, and other food leaders.

Work has been done in Minneapolis, St. Paul, Chicago, and New York by Miss Katherine R. Smith, Director of the Division. Richmond, Va., and Baltimore, Md., are scheduled by Miss Moselle Holberg, editorial home economist, for early December work.

Meetings and conventions attended during October and November were:

Newspaper Food Editors Conference, New York City;

Annual Convention of the American Dietetic Association, Minneapolis;

Executive Board Meeting of National Home Economists in Business, Chicago;

Cook Book Authors Conference, New York City; and

Grocery Manufacturers of America, Inc., meeting, New York City.

Importation of Farm Laborers

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foreign agricultural workers. In the case of British West Indians and Bahamans, the effect would be immediate. With regard to Mexican workers, the effects of the proposed regulations would not be felt for another year owing to the special Mexican farm labor law that does not expire until December 31, 1953.

The new immigration regulations have been drafted pursuant to the so-called McCarran Act and would require (1) that the application for importing workers be accompanied by a fee of $10 for each foreign worker, (2) in addition to employment service certification, that a labor organization in the field of proposed employment be consulted and agree to the need for the foreign labor, and (3) that the employer submit evidence of his inability to obtain domestic workers. In addition, visas for each foreign worker may be required.

The Immigration and Naturalization Service does not plan a public hearing on the proposed regulations but has announced that written protests, in duplicate, may be submitted before December 6.

FOREIGN TRADE

Mexican Tariff Modifications

Mexico has modified some of her import tariffs. The modifications were made by a decree effective October 28 and were published in the *Dairio Oficial* of October 22.

Following is a list of Mexico's tariff classifications and tariff rates on imports of canned foods, including the recent modifications, according to the U. S. Department of Commerce:

Mexican Tariff Number	Description	Former Rate (*pesos per legal kilo plus percent ad valorem*)	Present Rate (*pesos per legal kilo plus percent ad valorem*)
1.20.02	Ham, raw or cooked	0.35 peso +25%	0.60 peso +30%
1.20.19	Preserved animal foods, even if containing vegetable products in any proportion	0.60 peso +35%	0.80 peso +35%
1.21.00	Caviar		1.00 peso +35%
1.21.02	Canned salmon, weighing with immediate container up to 5 kg., provided container is labeled to indicate contents		0.80 peso +35%
1.21.09	Fish, salted, smoked, pressed, or preserved, not specified	0.80 peso +35%	1.00 peso +40%
1.21.10	Crustaceans and molluscs, dried, salted, or preserved, all kinds	0.80 peso +35%	1.00 peso +35%
2.10.20	Preserved vegetable foods, not specified	0.30 peso +25%	0.50 peso +25%
2.10.21	Asparagus, preserved	0.45 peso +45%	0.75 peso +45%
2.10.22	Mustard and other sauces	0.45 peso +45%	0.75 peso +45%
2.10.24	Canned tomato sauce		0.35 peso +60%
2.10.25	Canned tomatoes		0.45 peso +45%
2.13.20	Olives in oil or brine weighing with immediate container up to 10 kg.		0.25 peso +30%
2.13.22	Fruits in brine, not specified		0.15 peso +30%
2.13.24	Fruits in syrup or own juice		1.50 pesos +80%
2.13.25	Fruits preserved in liquids, not specified		0.50 peso +80%
2.13.26	Fruits preserved in water with sulfurous acid added		0.50 peso +80%
2.13.27	Fruits in brandy or alcohol		1.50 pesos +80%

STATISTICS

Canned Meat Report

The quantity of meat canned and meat products processed under federal inspection during the four-week period September 28-November 1 has been reported by the Bureau of Animal Industry, USDA. However, this report represents only the supply of meat products canned during that period and remaining for civilian consumption. Total production, including quantities for defense agencies, was 178,725 thousand pounds.

Canned Meat and Meat Products Processed under Federal Inspection

Sept. 28-Nov. 1, 1952

	3 Lbs. & over	Under 3 Lbs.	Total
	(*in thousands of pounds*)		
Luncheon meat	13,609	10,779	24,388
Canned hams	17,371	703	18,075
Corned beef hash	369	7,341	7,710
Chili con carne	1,279	16,333	17,612
Vienna sausage	349	4,877	5,227
Frankfurters and weiners in brine	32	1,454	1,486
Deviled ham	32	727	759
Other potted and deviled meat products	.....	3,503	3,503
Tamales	360	4,000	4,359
Sliced, dried beef	56	267	323
Liver products	.....	173	173
Meat stew	160	7,767	7,927
Spaghetti meat products	263	6,148	6,411
Tongue (not pickled)	48	219	267
Vinegar pickled products	1,434	1,844	3,278
Bulk sausage	.....	1,055	1,055
Hamburger	168	2,038	2,206
Soups	1,538	46,534	48,072
Sausage in oil	489	282	771
Tripe	.....	1,069	1,069
Brains	.....	347	347
Bacon	52	229	281
All other products 20% or more meat	564	7,068	8,532
All other products less than 20% meat (except soup)	193	13,849	14,042
Total all products	38,366	139,506	177,873

Columns do not add to totals shown in all cases since rounded figures are used. Amounts packed for defense agencies are not included in these items. Total production, including quantities for defense agencies, was 178,725 thousand pounds.

Production of Dry Beans

Production of dry beans is estimated at 16,655,000 bags (100 pounds uncleaned basis), an increase of 364,000 bags or about 2 percent from October 1, according to BAE. The 1952 crop as now estimated is still well below the 17.4 million bags harvested in 1951 and about 7 percent less than the 1941-50 average of 18.0 million bags.

The average yield of 1,265 pounds per acre is the highest of record, 34 pounds above the previous high in 1951. The 10-year average yield is only 976 pounds per acre.

Production prospects in the Eastern area are up about 6 percent but the indicated production of 5,520,000 bags is about 6 percent below last year. Prospects in the Northwest are little changed from October and production of 4,385,000 bags is indicated, about 4 percent below last year.

The pinto bean area of the Southwest expects 2,099,000 bags, 16 percent above 1951 production.

In California, the yield of lima beans has been generally satisfactory but not equal to last year. Harvest of standard limas has been rather slow. Baby lima harvest is nearly completed, as is the harvest of "other" varieties. Total production of all varieties in California is estimated at 4,651,000 bags, 11 percent less than in 1951.

Poultry Used in Canning

The quantity of poultry canned or used in canning during the first nine months of this year is only slightly more than the quantity used during the same period of 1951, according to a report by the Bureau of Agricultural Economics. The quantity of poultry used in nine months this year totals 134,242,000 pounds, compared with 133,844,000 pounds for the same period of 1951, an increase of only 0.3 percent.

DEFENSE

M-31—Chlorine

M-31, which regulated delivery of chlorine to public and private users, was revoked by the National Production Authority November 18. NPA said the revocation was possible because the supply of chlorine in the past six months has been adequate.

CPR 65—Canned Salmon

Ceiling prices established by CPR 65 for the 1951 pack of canned salmon will be ceilings for sales of the 1952 pack, under terms of Amendment 2 to CPR 65, issued November 17 and effective November 22. The amendment also provides for the processing of applications for special ceiling prices by the Director of Region 13 in Seattle rather than by the national office.

Canned Baby Foods

OPS has eliminated provisions from the retail grocery ceiling price regulations, CPR 15 and CPR 16, which have enabled retailers to compute their ceiling prices for canned baby foods on the basis of three units instead of one. OPS said that baby food manufacturers have not taken the increase authorized on August 19 (see INFORMATION LETTER of August 16, page 237), but that the multiple pricing system "has enabled some retailers to calculate higher ceiling prices than were intended for canned baby foods still remaining under control."

Text of Amendment 11 to GOR 7, Revision 1

Following is the text of Amendment 11 to GOR 7, Revision 1, issued by OPS November 18 and published in the *Federal Register* of November 19:

TITLE 32A—NATIONAL DEFENSE, APPENDIX

Chapter III—Office of Prize Stabilization, Economics Stabilization Agency

[General Overriding Regulation 7, Revision 1, Amdt. 11]

GOR 7—EXEMPTION AND SUSPENSION OF CERTAIN FOOD AND RESTAURANT COMMODITIES

ADDITIONAL FRUIT AND VEGETABLE PRODUCTS ADDED TO STATUTORY DECONTROL PROVISIONS; ADDITIONAL SPECIALTY FOODS ADDED TO ARTICLE II

Pursuant to the Defense Production Act of 1950, as amended, and Economic Stabilization Agency General Order No. 2, this amendment to General Overriding Regulation 7, Revision 1, is hereby issued.

STATEMENT OF CONSIDERATIONS

This amendment to General Overriding Regulation (GOR) 7, Revision (Rev.) 1, adds products to the list of those which are decontrolled because of Congressional enactment of the Harrison Amendment to the Defense Production Act of 1950, removing price ceilings on fruits and vegetables in fresh or processed form. The determination to add these items to the list in Article IV of GOR 7, Rev. 1, was made on the basis of a further study of the scope of the Harrison Amendment, to which reference was made in the Statement of Considerations accompanying Amendment 10 to GOR 7, Revision 1.

It also appears that certain additional items should be decontrolled in accordance with standards laid down by OPS apart from the Harrison Amendment. These commodities, notably certain canned soups and shells and kernels of apricots and of peaches, are added to the list contained in Article II of GOR 7, Rev. 1. This action is taken in accordance with the policy of the OPS of suspending or otherwise relaxing price controls on commodities, which by reason of their luxury or "specialty" character, or because of their insignificant volume of sales, are not required at this time to be controlled in order to carry out the purposes of the Defense Production Act of 1950, as amended. Available data indicate that this action will have little effect on the cost of living, the cost of the defense effort, or general industrial costs. Moreover, it is the judgment of the Director of Price Stabilization that the maintenance of ceiling price restrictions on sales of these items would involve an administrative burden out of all proportion to the importance of keeping them under price control.

Finally, certain provisions added to GOR 7, Revision 1, by Amendments 2 and 10, are clarified. For example, in Amendment 2 to GOR 7, Revision 1, several fruit and vegetable baby food and junior food items were listed as decontrolled, but it was not stated whether combinations of one or more of these fruits or vegetables were also decontrolled. Accordingly, paragraph (f) of section 30 is amended to indicate that combinations are also decontrolled.

In the formulation of this amendment the Director of Price Stabilization has consulted with industry representatives, including trade association representatives, to the extent practicable and consideration has been given to their recommendations. In the judgment of the Director, the exemptions under Article II of the regulation provided for by this amendment, will not defeat or impair the price stabilization program or the objectives of the Defense Production Act of 1950, as amended. The exemptions under Article IV are, in the judgment of the Director, necessary to comply with the provisions of the Defense Production Act of 1950, as amended.

AMENDATORY PROVISIONS

General Overriding Regulation 7, Revision 1, is amended in the following respects:

1. Paragraph (c) (1) (xi) of section 2 is amended to read as follows:

(xi) The following canned soups: Almond; artichoke; avocado; black bean; borsht; bouillabaisse; broccoli; cheese soup; consomme julienne; consomme madrilene; cucumber; fish or seafood; game bird; jellied chicken consomme; minestrone; mushroom broth; onion a la Bretone; petite marmite; smoked turkey; turtle, wine flavored; vichysoisse; water cress; and all frozen soups.

2. Paragraph (c) (1) of section 2 is amended by the addition of the following:

(xix) Shells and kernels of apricots and of peaches.

(xx) Canned marrons.

(xxi) Chinese chow mein and chop suey.

3. Paragraph (d) (14) of Section 2 is amended to read as follows:

(14) Water-ground wheat flour or water-ground buckwheat flour; tapioca food starch sold in bulk.

4. Paragraph (d) (16) of section 2 is amended to read as follows:

(16) Food flavoring extracts (except vanilla extract) and artificial colors for food, both in containers of not more than 16 ounces.

5. Paragraph (d) (18) of section 2 is amended to read as follows:

(18) Mincemeat.

6. Paragraph (d) (27) of section 2 is amended to read as follows:

(27) Prepared pastry dough or batter (excluding dry mixes); that is, any unbaked dough, batter or puff paste for pie crust, and any tart, eclair, pattie or similar shell.

7. Paragraph (d) of section 2 is amended by the addition of the following:

(30) Stuffed dried fruits.

8. Paragraph (e) of section 2 is amended by the addition of the following:

(52) Canned vegetable aspic.

9. Paragraph (c) (11) of section 30 is amended to read as follows:

(11) Canned fruit and berry juices and mixtures thereof, including apple cider and other fruit ciders.

10. Paragraph (c) of section 30 is amended by the addition of the following:

(21) Canned cranberry sauce, strained or whole.

(22) Canned mangoes.

11. Paragraph (f) (3) of section 30 is amended to read as follows:

(3) All dried fruits (including mixtures thereof) either whole, chopped, pitted, or in macerated form.

12. Paragraph (f) (5) of section 30 is amended to read as follows:

(5) The following fruits, vegetables (including creamed vegetables), and their juices, and combinations of the following fruits, vegetables, or their juices (with no other ingredients added except water sufficient for preparation, salt or sugar), when sold as canned baby or junior foods:

(i) Apples, including applesauce.
(ii) Apricots.
(iii) Bananas.
(iv) Beets.
(v) Carrots.
(vi) Green beans.
(vii) Oranges.
(viii) Peaches.
(ix) Peas.
(x) Pears.
(xi) Pineapple.
(xii) Plums.
(xiii) Prunes.
(xiv) Spinach.
(xv) Squash.
(xvi) Sweet potatoes.

13. Paragraph (f) (6) of section 30 is amended to read as follows:

(6) Dry edible beans (whole or split) including blackeye (or blackeyed) peas, pinto, chick peas (or garbanzos), lima (large and baby), pea (navy), pink, red kidney, small red (Mexican) and yelloweye; dry edible peas (whole or split) including green and yellow peas; and lentils; all when sold for human consumption as vegetables.

(Sec. 704, 64 Stat. 816, as amended; 50 U.S.C. App. Sup. 2154)

Effective date. This amendment is effective as of July 1, 1952 as to products covered by section 30, and on November 18, 1952 as to all other products.

TIGHE E. WOODS,
Director of Price Stabilization.

NOVEMBER 18, 1952.

MEETINGS

Importance of Raw Products

More than half of the total tonnage of all vegetables grown in the United States comes to consumers in canned form, it was pointed out this week by N.C.A. President Fred C. Heinz, in an address on "The Importance of Raw Products to Canning Industry Success."

At the fall convention of the Indiana Canners Association, Mr. Heinz noted that about 80 percent of all sweet corn and tomatoes are canned; about 75 percent of the green peas and beets; and about one-half of the asparagus. And, he said, canners supply the nation's pantries with almost 60 percent of their sour cherries, and almost half of all the peaches, pears, and apricots each year.

Mr. Heinz pointed out that most of the vegetable crops are grown under contract between canner and farmer. In contracting to buy these products at a fixed price months ahead of harvest, he said, the canner takes over to a considerable extent the price risks of the farmer by guaranteeing the price of the farmer's product even in advance of its being grown.

"In this way," he said, "the canning industry provides a much more stable farm price for large amounts of vegetables than farmers obtain elsewhere, and also provides a guarantee of cash income which helps farmers to absorb risks involved in the sale of other crops on the fresh market."

These comments by Mr. Heinz were reproduced by N.C.A. as a press release which was distributed to daily and weekly newspapers, newspaper syndicates, and trade papers.

Forthcoming Meetings

November 24-25—Pennsylvania Canners Association, 38th Annual Convention, Penn-Harris Hotel, Harrisburg

December 1-2—Michigan Canners Association, Fall Meeting, Pantlind Hotel, Grand Rapids

December 2—Maine Canners Association, Annual Meeting, Falmouth Hotel, Portland

December 2-3—Ohio Canners Association, Annual Convention, The Neil House, Columbus

December 4-5—Georgia Canners Association, Annual Meeting, Biltmore Hotel, Atlanta

December 4-5—New York State Canners and Freezers Association, Inc., 67th Annual Convention, Hotel Statler, Buffalo

December 4-5—Tri-State Packers Association, 49th Annual Convention, Haddon Hall, Atlantic City, N. J.

December 9—Minnesota Canners Association, Annual Meeting, Hotel Radisson, Minneapolis

Invitations for Bids

Quartermaster Purchasing Offices—111 East 16th Street, New York 3, N. Y.; 1819 West Pershing Road, Chicago 9, Ill.; Oakland Army Base, Oakland 14, Calif.

Veterans Administration—Procurement Division, Veterans Administration, Wash. 25, D. C.

The Walsh-Healey Public Contracts Act will apply to all operations performed after the date of notice of award if the total value of a contract is $10,000 or over.

The QMC has invited sealed bids to furnish the following:

PORK SAUSAGE—181,038 dozen 23-oz. cans. Bids due in Chicago under QM-11-009-53-54 by Nov. 24.

TOMATOES—34,670 dozen cans. Bids due in Chicago under QM-11-009-53-61 by Nov. 25.

CORN—282,000 dozen No. 2 or 290,000 dozen 303 cans of whole grain corn. Bids due in Chicago under QM-11-009-53-64 by Dec. 2.

CARROTS—20,000 dozen No. 10 cans. Bids due in Chicago under QM11-009-53-62 by Dec. 3.

BEETS—32,548 dozen No. 10, 26,665 dozen No. 2½, and 37,332 dozen No. 2 cans. Bids due in Chicago under QM-11-009-53-65 by Dec. 9.

The Veterans Administration has invited sealed bids to furnish the following:

APRICOTS—750 dozen No. 2 cans, water pack. Bids due under S-139 by Dec. 2.

Increase in Can Prices

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dicated that the can manufacturing industry's selling prices which prevailed during the year ended June 30 averaged 3 percent below the level necessary to yield earnings which meet the OPS industry earnings standard.

Two optional methods of price adjustment are provided.

Two Methods

The first method authorizes an increase of 4 percent above the highest selling (not ceiling) prices which a can manufacturer had in effect during the period January 1-June 30. This method bars any increases under GOR 35.

The second method authorizes an increase of 2.3 percent above the highest selling (not ceiling) prices in effect during the same six-month period and permits additional increases as provided for by GOR 35. The average effect of the steel pass-through under GOR 35 has been calculated by OPS to be 1.7 percent for can manufacturers. Thus, the second method differs from the first in permitting manufacturers to use their actual individual pass-throughs provided by GOR 35 instead of the average pass-through of 1.7 percent which is included in the 4 percent increase under the first method.

The use of either method is optional. Accordingly, a can manufacturer may continue to use his current ceiling prices or establish new ceilings as authorized under applicable regulations.

The increases in can prices are authorized by three amendments issued November 21 and effective November 25. They are SR 126 to the GCPR, SR 39 to CPR 22, and SR 2 to GOR 35.

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